

A STUDENT'S GUIDE

*to the*

# Legislative Process in Michigan



- The Legislative Branch of State Government
- A Legislator's Job
- How an Idea Becomes a Bill
- How a Bill Becomes a Law
- Citizen Participation
- Legislative Oversight
- The Development of the State Budget

*This booklet is designed primarily for high school students who are interested in learning more about the Legislative Process in Michigan.*

*Depending on the level of instruction desired, a variety of classroom exercises are offered. For example, at the end of the four main chapters, there are review questions, a section called “Legislate,” and a list of additional activities providing insight to the daily duties of a state legislator. The “Legislate” section is particularly important; by creating a “mock” session, it gives the students an opportunity to simulate legislative processes—an excellent way for students to explore and express their own beliefs on certain local and state issues.*

*To further increase their knowledge of the Legislative Process in Michigan, students are encouraged to read the chapters on citizen participation, legislative oversight, and the processes involved in developing a budget.*

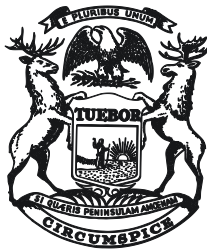
# THE LEGISLATIVE PROCESS IN MICHIGAN

## *A Student's Guide*

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\* Chapters involved in the simulation LEGISLATE



**Prepared by the Michigan Legislature  
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# THE LEGISLATIVE BRANCH OF STATE GOVERNMENT

## Legislative Terms

<b>Appropriation</b>	An authorization to spend state and federal funds. Probably the most important function of the Legislature, appropriating money is carried out by passing bills which authorize units of government to spend money for specified purposes.
<b>Bicameral</b>	A two-house legislature, in contrast to a unicameral legislature, or a legislature consisting of one house. In the United States, only Nebraska has a unicameral legislature.
<b>Caucus</b>	A group of legislators with a common interest. Although most commonly referred to as the Democratic Caucus or the Republican Caucus, the term is used to describe many groups of legislators, for example: the Detroit Caucus, the Michigan Legislative Black Caucus, the Women's Caucus, and the Hispanic Caucus. As a verb, the term "to caucus" means to have a closed meeting of a group of persons belonging to some party or faction.

The Michigan Legislature, like the U.S. Congress at the federal level of government, is bicameral. The Michigan Legislature is made up of two chambers: the Senate and the House of Representatives. There are 38 Senators and 110 Representatives, and each group assembles in its own chamber in the State Capitol to pass the laws of this state. In contrast, at the national level, in the U.S. Senate there are two Senators from each state. Each state has at least one U.S. Representative, with the total number being 435, and Michigan has 15 members.

## RESPONSIBILITIES OF THE LEGISLATURE

The Michigan Legislature is not some obscure entity – it makes decisions which affect our daily lives.

Much of what the Legislature does involves lawmaking. Through a process defined by the State Constitution, statute, court opinions, and legislative rules, the Legislature considers thousands of bills (proposed laws) each two-year session.

These laws control relations among people and between them and their government. The laws range from what information is required on your birth

certificate, to how many days you must be in school each year, to when and how you may drive an automobile on our streets, to the safety of where you may work, or to regulating the cemetery in which you may be buried.

The Legislature levies taxes, such as income and sales taxes, and appropriates funds from the money collected for the support of public institutions and the administration of the affairs of state government.

The Legislature also exercises oversight of the other branches of government and the expenditure of state tax dollars through committee hearings, personal contacts, review of reports, and investigation of complaints. This "watchdog" role is a major responsibility of the Legislature. Legislators also have an important job in providing information and assistance to their constituents. If you have a problem dealing with governmental "red tape," where are you likely to turn for help? If you answered your State Representative or Senator, you are correct.

## ORGANIZATION OF THE LEGISLATURE

Both the Senate and the House of Representatives are responsible for the organization of their respective chambers. At the beginning of each session, party

members have a meeting, or caucus, to deal with the election of officers and party officials.

The following tables list the major positions in both the House of Representatives and the Senate.

### Officers of the Michigan Senate

Lieutenant Governor	President of the Senate, presiding officer, votes only when Senators are equally divided in vote. Not elected to the Senate.
President Pro Tempore	Presiding officer in absence of the Lieutenant Governor. Assistant and Associate President Pro Tempore positions have also been created.
Secretary of the Senate	The parliamentarian keeps records and supervises support staff. Not a member of the Senate. The position of Assistant Secretary of the Senate is currently vacant.
Majority Leader	Elected by majority caucus, appoints committees, assigns duties to Senate employees, and establishes guidelines for the financial management of Senate offices. The Assistant Majority Leader helps with these duties.
Minority Leader	Elected by the minority caucus; serves as minority party leader. The Assistant Minority Leader works with this officer.
Majority Floor Leader	Directs activities on the floor. There is one Assistant Majority Floor Leader.
Minority Floor Leader	Directs activities of minority party on the floor. There is also one Assistant Minority Floor Leader.
Caucus Chairs	Direct the party caucus meetings. There are also Assistant Caucus Chairs.
Caucus Whips	Assist party leaders with caucus functions.

### Officers of the Michigan House of Representatives

Speaker of the House	The presiding officer, appoints committees, selects employees, presides during session, handles administrative functions.
Speaker Pro Tempore	Performs duties of the Speaker in the Speaker's absence. Associate Speakers Pro Tempore assist with the responsibilities.
Clerk of the House	Not a member of the House of Representatives; assists in conducting session; records votes; serves as parliamentarian. There is also an Assistant Clerk of the House.
Minority Leader	Elected by the minority caucus; serves as minority party leader. There is also an Assistant Minority Leader.
Majority Floor Leader	Directs activities on the floor. The Assistant Floor Leader assists with these responsibilities.
Minority Floor Leader	Directs activities of minority party on the floor. There are also two Assistant Minority Floor Leaders.
Caucus Chairs	Direct the party caucus meetings.
Caucus Whips	Assist party leaders with caucus functions.



*The people of Michigan entrust to their elected Representatives and Senators the power to make state laws through a system modeled after the United States Congress.*

## AT WHAT AGE DOES STATE LAW ALLOW YOU TO:

1. Qualify for a driver's license?
2. Make a will?
3. Run for the Michigan Legislature?
4. Run for Governor?
5. Sign a contract for the purchase of goods or services?
6. Serve on a jury?
7. Purchase or drink alcoholic beverages?
8. Vote?

Answers:

1. 16, 2. 18, 3. 21, 4. 30, 5. 18, 6. 18, 7. 21, 8. 18

## REVIEW QUESTIONS.

1. What is the primary job of the Legislature? What are some other duties?
2. In what ways is the Lieutenant Governor different from a Senator?

**LEGISLATE.** The first session of **LEGISLATE** involves organizing the chamber and setting the stage for the remainder of the simulation. Two things need to be accomplished:

1. **The class should choose to be either the House of Representatives or the Senate** for the simulation. (The bills will only pass through one chamber during **LEGISLATE**.) The list of legislative officials may help students to decide on a chamber.

2. **Two parties should be created.** Party names can be chosen, such as the Blue Party and the Green Party. Students may be assigned to a party, whether by choice or at random (picking names out of a hat, for instance). An uneven number in party membership ensures a majority and minority party.

## OTHER ACTIVITIES.

1. How is your life affected by state laws? From the moment you woke up this morning to the time you arrived at school, describe how your activities were affected by the law.
2. Collect newspaper articles and editorials which mention laws, particularly those which discuss the position taken by legislators and legislative leaders.

# A LEGISLATOR'S JOB

## Legislative Terms

<b>Elector</b>	An individual qualified to vote in an election. In Michigan, an elector must be a citizen of the United States who has attained the age of 18 years, who has resided in the state six months, and who meets the requirements of local residence provided by law.
<b>District</b>	A political-geographical division of the state from which a Senator or Representative is elected. There are 38 Senate districts and 110 House districts.
<b>State Officers Compensation Commission</b>	A constitutionally created seven-member commission responsible for recommending the salary and expense allowances of members of the Legislature, the Governor, the Lieutenant Governor, the Attorney General, the Secretary of State, and the Justices of the Supreme Court.

The job of state legislator is a demanding one. A legislator must perform a wide variety of duties and activities which require a diversity of skills and abilities. A legislator must make decisions under heavy pressures from many conflicting and opposing interests, while at the same time a legislator must exercise judgment on issues that affect every citizen in the state. A state legislator must have the ability to organize his or her time, meet the schedules demanded by a multiplicity of committee meetings, spend sufficient time studying issues to understand complex problems, and maintain two-way communications with constituents.

## QUALIFICATIONS

In order to become a state legislator, a person must first of all be qualified, as required by the State Constitution, as follows:

- a. Be a citizen of the United States, at least 21 years of age, and an elector of the district they represent.
- b. Not have been convicted of subversion or, within the past 20 years, have been convicted of a felony involving a breach of the public trust.
- c. Not simultaneously hold any office, employment, or position under the United States, the State of Michigan, or any political subdivision thereof. A person may, however, be a notary public or a member of the armed forces reserve. This constitutional provision allows people holding offices or positions to run for the Legislature, but,

since dual office-holding is prohibited, a legislator-elect must resign the prior office or public employment as a condition of taking a seat in the Legislature.

## ELECTIONS

Assuming an individual is qualified, he or she must campaign and be elected from a Senate or House district. The Senate consists of 38 members elected by the qualified electors of districts. Senators are elected at the same election as the Governor for four-year terms concurrent with the Governor's term of office. Senators may be elected to two four-year terms. The House of Representatives consists of 110 members elected by the qualified electors of districts. House members are elected in even-numbered years for two-year terms. Representatives may be elected to three two-year terms. All legislators are elected from single-member districts; that is, only one legislator is elected from each district.

A "primary" election in August is used to select the major political party nominee who will run against the nominees of other political parties in the November general election. The individual from each major party with the majority of the votes is selected to represent his or her party in the general election.



*The elections process and the accountability it provides have a strong influence on lawmaking.*



## THE LEGISLATOR'S JOB

Once elected, what are the responsibilities of state legislators, their duties, their official functions, and powers? In 1966, Senate Resolution 135 authorized, with the Governor's participation, the appointment of a Special Commission on Legislative Compensation. This commission analyzed the responsibilities of a legislator. Following is the Commission's summary of the responsibilities:

- **Prepares and legislates** for a program derived from a variety of sources, including the district, the committees on which he or she serves, his or her party, friends and interest groups.
- **Conceives the need for new legislation** through study of the problems of the district and the state. Initiates research through the staff and committees and requests preparation of bills and amendments.
- **Develops support** for proposals and lends support or opposes programs of other legislators following a thorough review.
- **Studies** the daily calendar, journals, and status to keep informed on bills scheduled for hearings and floor action.
- **Attends sessions**, takes part in debates, and votes on business before the chamber.
- **Attends committee meetings** and hearings throughout the state to become informed on the details of proposals, the arguments for and against them, and to vote on their submission to the Legislature.
- **Exercises legislative oversight** over the administrative branch of government and the annual state budget through committee hearings, personal contacts, review of reports, and investigation of complaints.
- **Replies to correspondence and telephone calls** from constituents and supervises the work of legislative assistants and other staff.
- **Keeps constituents informed** on the progress of legislation and his or her position on specific bills and, in turn, keeps informed on the opinions of constituents, political party, and interest groups.
- **Acts as liaison** between the district, state, and federal agencies, providing personal assistance to constituents in handling their problems.

- **Assumes an active role in the district** by serving on local committees, and attending and speaking at civic organizations which are interested in legislation.
- **Plays an active role in the political party** by attending and participating in party caucuses, meetings of a specialized nature, and in general conventions.
- **Takes part in ceremonial local and state functions.**
- **May maintain an office** within the district.



*Each legislator brings unique ideas, experience, and understanding to the legislative process.*

## LEGISLATOR COMPENSATION

Legislators' salaries and expense allowances are based on recommendations of the State Officers Compensation Commission which was established by the State Constitution. The Commission meets every two years. As a result of an amendment approved by the voters at the August 2002 election, it is now required that, for SOCC determinations to increase legislative salaries and expense allowances to go into effect, the determinations need to be approved by a majority of the members elected and serving in each house of the legislature.

The annual salary for legislators for both 2009 and 2010 is \$79,650 while the expense allowance is \$12,000 for both 2009 and 2010. Legislators are also reimbursed for miles driven within the home district. In addition, each legislator may claim reimbursement for mileage for one round trip per week from his or her legal Michigan residence to the state capital while the Legislature is in session.

An optional retirement program is available for legislators. The legislative retirement system underwent major changes in 1994 and 1996 in recognition of the adoption of term limits.



## OTHER JOBS IN THE LEGISLATURE

You don't have to be elected as a legislator to participate in the legislative process. A wide variety of people are employed in support of Michigan's legislative branch of government. **Attorneys, accountants, computer programmers, librarians, and individuals with degrees or experience in communications, business, economics, secretarial or clerical professions, printing trades, and political science** represent some of the varied types of staff employed.

Full- and part-time employment opportunities are available in both legislators' offices and in staff agencies such as the Auditor General's Office, the Legislative Service Bureau, the House and Senate Fiscal Agencies, and others. Employees in these offices and agencies assist legislators in handling their diverse responsibilities. The staffs provide a wide range of services and handle much of the technical, research, legal, informational, clerical, and analytical needs of Michigan's 148 legislators.

The Legislative Service Bureau serves as a central agency working for both houses on a nonpartisan basis. The Legislature is also served by the Senate Fiscal Agency, House Fiscal Agency, Senate Democratic Staff, Senate Republican Staff, House Democratic Staff, House Republican Staff, the Joint Committee on Administrative Rules, and the Legislative Corrections Ombudsman.

You may have had an opportunity to contact your state legislator to express your opinion on legislation, to request assistance with a problem, or simply obtain information. In many cases, you will have been assisted

by a staff person working under the supervision of a legislator. Within legislators' offices, there are various types of positions. The specific responsibilities and titles of these positions can vary from the House to the Senate and from office to office. Some legislators may call their staff member a legislative aide or assistant, while others may call a staff member a constituent aide, policy analyst, or chief of staff. Senators represent larger constituencies and have a larger staff, while Representatives have two staff members. They perform a wide variety of tasks including coordinating or handling legislation, constituent work, performing or overseeing research work, and a variety of operational tasks from perfunctory to complex. Other responsibilities may include secretarial duties of considerable variety and complexity, often of a confidential nature, and duties as a receptionist for the telephone and visitors. The particular division of responsibilities depends upon how the Representative wants to divide the work. There is no single set of qualifications for these positions. However, among those qualifications considered may be the ability to communicate well orally and in writing; to relate to others; to explain legislative programs, proposals, and other public information; and to work independently and to meet deadlines.

An excellent way of finding out what it is actually like to work in the Legislature is to participate in a student intern program which may be offered by your local school district or a college or university. Other programs, sponsored by various civic organizations, involve young people from across the state in mock legislative sessions and are good ways of gaining firsthand knowledge and experience.



*Students come from near and far to learn about the Michigan legislative process. These students from the Republic of Georgia and Pakistan learn how a legislator produces his local cable show.*

## REVIEW QUESTIONS.

1. What are the basic qualifications for being a state legislator?
2. How is being elected to the Senate different than being elected to the House? How is it similar?
3. What do you feel are the most important responsibilities of a legislator? How do your answers differ from others in your class?

**LEGISLATE.** Students now begin to assume their roles as legislators. The “Legislator’s Profile” form below will help them to build a personal profile and imagine themselves as certain types of individuals. Before completing the profile, the class could discuss the varying backgrounds of legislators and how this leads to many different opinions on any subject.

Students meet in a party caucus to choose party officials. (Select the officials you wish to elect from the list in the previous chapter.) They may want to tell each other about themselves using the profile they have just made. Students inform their party leaders of their interests. They may also want to discuss party goals at this time.

The Minority Leader may then assist the Senate Majority Leader (or Speaker of the House) in assigning students to a committee. The Majority Leader (or Speaker) makes the final decision. Example: Committee on Agriculture – four members: three majority party members, one minority party member.

## OTHER ACTIVITIES.

Have one person in the class call the county clerk for information about your district, such as the name of your Senator and Representative, Senate and House of Representatives district numbers, and the results of the last primary and general elections.

# Legislator’s Profile

Name: \_\_\_\_\_ Age: \_\_\_\_\_

Residence: \_\_\_\_\_

Work background: \_\_\_\_\_

Educational background: \_\_\_\_\_

Years served in the Legislature: \_\_\_\_\_

Constituents:	rural	urban	suburban
	rich	middle class	poor

Interests:	agriculture	energy
	appropriations (the state budget)	health
	commerce	natural resources
	education	other _____

Party: \_\_\_\_\_

# HOW AN IDEA BECOMES A BILL

## Legislative Terms

<b>Bill</b>	A proposed law or a proposed amendment, addition, or repeal of an existing statute introduced in the Legislature for consideration.
<b>Constituent</b>	A resident of a legislator's district.
<b>Lobbyist</b>	A person, often acting as an agent for an organized group or interest, who seeks to bring about the passage or defeat of legislative bills or to influence the contents.
<b>Attorney General</b>	Serves as the chief law enforcement officer of the state and legal counsel to the Governor and state agencies.
<b>Special Committee</b>	A committee created by resolution or appointed by a legislative leader on a temporary basis to investigate or study a specific situation. A special committee may consist of members of one or both houses of the Legislature.

Problems facing Michigan's citizens have increased in number and have grown in complexity. Moreover, state government is expected to address these problems in order to promote the social and economic well-being of the individual citizen as well as the entire state. It is the Michigan Legislature's primary responsibility to formulate solutions to these problems by enacting legislation designed to regulate and protect the activities of the State's people, businesses, and government.

Just as changes in our society are constant, changes in our state's body of laws occur regularly to meet the challenges and problems of the future. Each year, the Michigan Legislature considers such changes in the form of bills (proposed laws). A closer examination of how ideas for bills originate indicates that there are a surprising number of sources for ideas which are sometimes readily evident and at other times less obvious or visible. Ideas for bills come from a wide range of sources, including an individual legislator's initiative, constituent problems, government agencies on all levels, interest groups, court decisions and Attorney General opinions, special committee or task force recommendations, and also from activities in other states. Many times before an initial idea materializes in bill form it will receive consideration from a combination of these sources.

The form bills take is shaped by constitutional provisions. Article IV, Section 22 of the *Constitution*

*of the State of Michigan of 1963*, as amended, states that "all legislation shall be by bill and may originate in either house."

A bill is a proposed law or a proposed amendment, addition, or repeal of an existing statute. In order for such a bill or proposal to become law, it must go through a meticulous and well-defined procedure to provide the members of both the Senate and the House of Representatives the opportunity to give careful consideration to the proposal and its possible effects. However, prior to and during the formal drafting of a bill, there are a variety of individuals or groups which can play a role in how that bill takes shape.

## SOURCES FOR IDEAS FOR BILLS

- Individual legislators
- Constituents
- Government agencies (any level)
- Interest groups
- Court decisions
- Attorney General opinions
- Special committees, task forces
- Other sources including activities in other states

## THE LEGISLATOR AS A SOURCE

The principal responsibility of a state legislator is the business of lawmaking. The business of lawmaking is a demanding one, in that legislators must perform a wide array of duties which require a diversity of skills and abilities. In addition to sponsoring and introducing bills, which require administrative, managerial, and political skills, a legislator must attend sessions and committee meetings and study the many bills introduced by other lawmakers, which requires analytical skills. Moreover, a legislator must make decisions under pressure from a host of conflicting and sometimes opposing interests. How a particular legislator deals with these varying commitments and obligations of the job can often dictate how that lawmaker goes about addressing the demands of the day. Once elected, a legislator is expected not only to respond to the needs of his or her constituency, but also to exercise judgment on issues that affect every citizen in Michigan. Equally as important as responding to the concerns of a particular district or the state as a whole, however, is a lawmaker's own initiative and conception of new ideas designed to prepare for the state's future. These ideas often take shape in the form of bills.

The background, experiences, and committee assignments of a legislator are important in determining the interests and concerns of a lawmaker. The members of the Michigan Legislature reflect a wide variety of professional backgrounds and experiences, from attorneys to teachers to businesspersons, which may help determine a particular member's committee assignments and influence the kinds of bills that a legislator will propose. There is a significant degree of specialization within the Legislature due to the many different concerns and problems which must be addressed. Whether a legislator is recognized as an expert in a field because of his or her background, or due to experience resulting from a committee assignment, it is customary for lawmakers to consult one another on ways in which to deal with specific problems.

Another source of ideas for bills are the various proposed legislative programs which a lawmaker must consider and review. These programs take shape in various ways. Each year, the Governor delivers a State of the State address, which identifies those problems which the Governor believes to be most important. Caucus task forces and work groups offer numerous ideas and programs for consideration on a continuing basis.



*Local officials meet with a legislator to discuss transportation and other issues facing the county.*

## CONSTITUENTS AS A SOURCE

Many ideas for bills are generated in response to a specific problem being experienced in a lawmaker's district. When an individual is elected to serve in the Michigan Legislature, that person is expected to represent the interests of his or her constituency. Generally, an idea for legislation emanating from the lawmaker's constituency takes shape when a concerned citizen or group alerts their legislator to a situation, or the legislator may be made aware of a problem through the media or by attending a civic function in the district.

A well-reasoned personal letter or e-mail to a legislator can very well be the initial source of an idea for a bill. Several letters or e-mails from different individuals can have an even more significant impact. In this instance, the media can play a fundamental role by contributing to the relative importance and visibility of specific issues and thus bringing a particular matter to the attention of a wider spectrum of citizens.

Not all problems require legislation to be solved and, oftentimes, the matter can be handled without enacting a law. However, in looking at the problem, a legislator may wish to discuss the issue with other lawmakers to determine its extent or have a staff person investigate the complaint. Only when the other alternatives have seemingly been exhausted may a legislator conclude that a bill is necessary to resolve the problem. In most cases, a constituent with a problem which may warrant a legislative solution does not have a proposal prepared to submit to his or her legislator. It is in this type of situation that a legislator will rely on his or her expertise to formulate an idea for legislation in bill form. When confronted with a problem, an idea on how to solve it may become immediately apparent to the lawmaker, or a proposal will take shape once thorough research of the problem has been conducted.



## INTEREST GROUPS

Many ideas for bills come from interest groups. By organizing, these groups are able to assert their political power because they are more visible and have greater resources at their disposal than do single individuals. These interest groups range from those representing single issues, trades, professions, or social groups to those representing individuals concerned with a multiplicity of issues. In addition, some of these groups are established on a temporary basis while others are permanent organizations designed to maintain an ongoing review of legislative activity. These groups can be highly effective in urging that action be taken in a particular area and are also likely to follow up and monitor the progress of a proposed bill affecting their special interest.

Groups such as labor, business, the legal and medical professions, teachers, farmers, and veterans have long been recognized as special interests due to well-established organizations. In more recent years, groups representing specific interests have multiplied dramatically. In addition, there has been a noticeable development of professional multi-client lobbying organizations.

## GOVERNMENT AGENCIES

Many ideas for bills or proposed legislation come from government agencies on all levels. Officials representing the various state executive departments, which administer the state's services, such as the Department of Transportation or the Department of State, or local government units, such as counties, townships, or school districts, may propose, either through the executive office or directly to a legislator, that certain measures be taken in order to enhance the management and distribution of a particular service. These officials will often consult with a legislator whose committee assignment is related to that department's or governmental unit's responsibilities.

This type of cooperation between the Legislature and the various state and local agencies is common practice. If all of the concerned parties agree in principle that specific changes are desirable, this cooperation can be very helpful in formulating a proposal that is acceptable.

The activities of the federal government can also influence legislation on the state level. Both the U.S. Congress and the federal executive departments have established a host of programs that require the states to develop matching plans.



*As administrators of the state's laws, the departments of the executive branch of state government provide important input to the work of the Legislature.*

## COURT DECISIONS AND ATTORNEY GENERAL OPINIONS

State court decisions and Attorney General Opinions also affect proposed state legislation. If a state court issues a decision rendering an existing statute unconstitutional or the Attorney General identifies a loophole in current law, the Legislature may wish to pass corrective legislation. Rulings handed down by federal courts, as well as other actions on the federal level by executive or legislative branches, can also make action on the state level necessary.

## SPECIAL COMMITTEES AND TASK FORCES

Ideas for legislation can also be generated as a result of the work of a special committee or task force established by the Legislature. Providing an open forum on a particular problem for all interested parties to participate can be an effective way to derive a balanced and thoughtful solution. One of the Legislature's vehicles for addressing a problem is the special or select committee created by resolution or by leadership on a temporary basis to investigate or study a specific situation. Another type of format which has been utilized is the task force, usually including input from private citizens as well as representatives of other branches of government. In anticipation of an emerging problem, the special committee, select committee, or task force may wish to call upon various experts for consultation in drawing up recommendations to address problems, such as prison overcrowding or the future of nuclear power in Michigan. Oftentimes, such recommendations will include proposed legislation designed to implement a particular policy.



*Testimony of experts and concerned citizens is vital to the process of gathering information.*

## OTHER SOURCES

Yet another source of ideas for bills is the need to update or repeal laws that become outdated or obsolete. The Michigan Law Revision Commission, for example, issues an annual report recommending changes or amendments to various statutes for the purpose of bringing them into harmony with modern conditions and judicial decisions. In addition, articles published in law reviews may cite specific statutes which have become unworkable and are in need of change.

In instances when suggestions for legislation are in response to a problem with no clear solution, research is essential. In addition to Michigan's legislative staff agencies, there are nationwide organizations that monitor state legislation, such as the Council of State Governments (CSG), the American Legislative Exchange Council (ALEC), or the National Conference of State Legislatures (NCSL). These sources can be tapped in order to discover how other states may have addressed a similar problem. This can be of assistance in drafting legislation to correct a problem in Michigan.

Maintaining consistent language in the law also results in bills being introduced and legislation enacted. With the adoption of Michigan's current constitution, the Legislature was directed to abolish the office of justice of the peace (Constitution, Art. VI, Sec. 26). Due to the many references to that office throughout Michigan law, it was necessary to introduce a separate bill to delete each such reference in a variety of statutes. In addition, when a new idea becomes law, such as in the case of the Open Meetings Act, it may become necessary to modify other statutes that are affected by the new legislation.

## SINGLE-SUBJECT BILLS

Unlike many other constitutions, the Michigan Constitution prohibits the revision, alteration, or amendment of any law by reference to its title only (Constitution, Art. IV, Sec. 24). In other words, a bill proposing changes in the Michigan Public School Employees Retirement Act cannot also amend sections of another statute simply by alluding to those sections in the text of the bill. Instead, a separate bill must be introduced to enact such changes. Therefore, in some cases, it may take a series of bills to enact the statutory provisions of what is basically a single purpose or idea.

## CONCLUSION

A decision that legislation is the answer to a problem is merely the first stage of the legislative process. After a bill has been introduced in the Legislature, the course it takes is subject to a more structured legislative procedure. At times the process can be swift. Other proposals may surface and resurface in successive sessions with little result. Many of these are never enacted. However, if a particular problem grows in magnitude or is subjected to increased attention, enough support may be generated to carry such a proposal through the remainder of the legislative process. During both the formulation and formal consideration of a proposal, however, there are many individuals, groups, conditions, and other influences that can affect how an idea eventually takes shape. In many cases, a combination of these sources and conditions play an important role in the

transformation of ideas into bills. Even though the goals, interests, and priorities of the people are in constant change, these early stages of the legislative process continue to determine how an idea becomes a bill.



*Court decisions as handed down in this county courthouse sometimes bring about the need to make changes in the law.*



## REVIEW QUESTIONS.

1. What basic skills and abilities must a legislator have in regard to his or her job as a lawmaker?
2. Why are constituents such an important source of ideas for legislators? What can a constituent do to influence legislation?
3. Why is it often necessary to introduce a number of bills to accomplish a single purpose or objective?

**LEGISLATE.** Each student will develop an idea for a bill to introduce in the chamber. The idea may be one of their own or he or she may get input from other people or ideas from newspaper and magazine articles. Try to pick an idea that is limited. The “Developing an Idea for a Bill” worksheet below will help them to develop their idea.

## OTHER ACTIVITIES.

1. What problems exist in your community that could be reduced or eliminated with legislation? Talk to local officials, residents, police officers, business people, senior citizens, community groups, school officials . . .

# Developing an Idea for a Bill

Idea (content of bill) \_\_\_\_\_

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Source of idea \_\_\_\_\_

Who does this bill help? \_\_\_\_\_

Would this bill affect any individual or group in a negative way? \_\_\_\_\_

Does this bill have any costs involved? \_\_\_\_\_

Who do you think would favor this bill? \_\_\_\_\_

Who do you think would oppose this bill? \_\_\_\_\_

Additional helpful information \_\_\_\_\_

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# HOW A BILL BECOMES A LAW

## Legislative Terms

<b>Amendment</b>	A proposed change, addition, or deletion to a bill. Amendments may only be offered by individual legislators or by committees.
<b>Substitute</b>	Another version of a bill which incorporates a number of amendments into one document. There may be more than one substitute to a bill, in which case they are numbered.
<b>Committee of the Whole</b>	A parliamentary procedure in which the entire body becomes a committee for the purpose of working on a bill or a joint resolution.
<b>Conference Committee</b>	A committee consisting of three members from both the Senate and the House appointed to resolve differences relative to a bill which has been passed in different versions in each house.
<b>Resolutions</b>	Documents that formally express the opinion or will of a legislative body. One-house resolutions are those considered only by the membership of the House or the Senate. A resolution that goes before both houses is a concurrent resolution. Joint resolutions are used almost exclusively to propose amendments to the Michigan Constitution.

This is a general and very brief description of the major steps of the legislative process a bill must go through before it is enacted into law.

## INTRODUCTION

Bills may be introduced in either house of the Legislature. Senate bills are filed with the Secretary of the Senate and House bills with the Office of the Clerk of the House. Upon introduction, bills are assigned a number. At the beginning of each biennial session, House bills are numbered consecutively starting with House Bill Number 4001 and Senate bills are numbered starting with Senate Bill Number 1. In both houses, joint resolutions are assigned a letter.

## TITLE READING

Under the State Constitution, every bill must be read three times before it may be passed. The courts have held, however, that this requirement can be satisfied by reading the bill's title. Upon introduction, the bill's title is read a first and second time in the Senate and is read once in the House. The bill is then ordered to be printed.

## REFERRAL TO COMMITTEE

Upon introduction, a bill is also referred to a standing committee in the Senate by the Majority

Leader and in the House by the Speaker of the House. All bills involving an appropriation must be referred either directly to the appropriations committee or to an appropriate standing committee and then to the appropriations committee.

## COMMITTEE REVIEW

Committee members consider a bill by discussing and debating the bill. The committee may also hold public hearings on the bill.

## COMMITTEE ACTION

A standing committee may act on a bill in various ways. The committee may:

- a. Report the bill with favorable recommendation.
- b. Report the bill with amendments with favorable recommendation.
- c. Report the bill with the recommendation that a substitute be adopted.
- d. Report the bill without recommendation.
- e. Report the bill with amendments but without recommendation.
- f. Report the bill with the recommendation that the bill be referred to another committee.
- g. Take no action on the bill.
- h. Vote to not report the bill out of committee.

In the case of option d and option e, the bill, upon being reported from committee, is tabled (temporarily removed from consideration) on the floor. A majority vote of the members present and voting in the house where the bill is tabled is required to remove the bill from the table before it may be given further consideration.

In both houses, a majority vote of the members serving on a committee is necessary to report a bill. If a committee fails to report a bill, a motion to discharge the committee from consideration of the bill may be offered in the house having possession of the bill. If this motion is approved by a vote of a majority of the members elected and serving, the bill is then placed in position on the calendar for floor action. In the House, at least one-day prior notice of the motion to discharge must be given to the Clerk of the House.

## **COMMITTEE REPORTS**

If a bill is reported from committee favorably with or without amendment or in the form of a substitute bill, the committee report is printed in the journal under the order of business entitled “Reports of Standing Committees” in the House, and in the Senate under “Committee Reports.” Journals are the official records of the actions of the House of Representatives and the Senate published online following each day’s session. On being reported favorably from committee, the bill and recommended committee amendment (if any) are placed on the order of “General Orders” in the Senate. In the House, the bill and amendments are referred to the order of “Second Reading.”

## **GENERAL ORDERS OR SECOND READING**

For the purpose of considering the standing committee recommendations on a bill, the Senate resolves itself into the Committee of the Whole, and the House assumes the order of Second Reading. Amendments to the bill may be offered by any member when the bill is being considered at this stage of the legislative process. In the Senate, a simple majority of members present and voting may recommend adoption of amendments to the bill and recommend a bill be advanced to Third Reading. In the House, amendments may be adopted by a majority serving, and a majority voting may advance the bill to Third Reading. In the House, a bill may be placed on Third Reading for a specified date.

## **THIRD READING**

While there are provisions in the House Rules and the Senate Rules for reading bills, unless an exception is made, in practice, few bills are read in full in either chamber. In both houses, amendments must be approved by a majority vote of the members serving and the previous question may be moved and debate cut off by a vote of a majority of the members present and voting. At the conclusion of Third Reading, the bill is either passed or defeated by a roll call vote of the majority of the members elected and serving (pursuant to the State Constitution, approval of certain measures requires a two-thirds or three-quarters vote) or one of the following four options is exercised to delay final action on the bill:

- a. The bill is returned to committee for further consideration;
- b. Consideration of the bill is postponed indefinitely;
- c. Consideration is postponed until a certain date; or
- d. The bill is tabled.

Following either passage or defeat of a bill, a legislator may move for reconsideration of the vote by which the bill was passed or defeated. (A motion to reconsider can be made for any question.) In the Senate, the motion for reconsideration must be made within the following two session days; in the House, the motion must be made by the next succeeding session day.

## **FIVE-DAY RULE**

No bill can become law at any regular session of the Legislature until it has been printed and reproduced and in the possession of each house for at least five days. (Constitution, Art. IV, Sec. 26.)

## **IMMEDIATE EFFECT**

No act shall take effect until the expiration of 90 days from the end of the session at which the measure was enacted. The Legislature may give immediate effect to an act by a two-thirds vote of the members elected and serving in each house. (Constitution, Art. IV, Sec. 27.)

## **ENACTMENT BY THE LEGISLATURE**

If a bill passes, it is sent to the other house of the Legislature where the bill follows the procedure previously outlined, resulting in defeat or passage. If a bill is passed by both houses in identical form, the bill

## **SENATE STANDING COMMITTEES**

**AGRICULTURE**

**APPROPRIATIONS**

**BANKING AND FINANCIAL**

**INSTITUTIONS**

**ECONOMIC DEVELOPMENT**

**EDUCATION**

**ENERGY AND TECHNOLOGY**

**FAMILIES, SENIORS AND  
HUMAN SERVICES**

**FINANCE**

**GOVERNMENT OPERATIONS**

**HEALTH POLICY**

**INSURANCE**

**JUDICIARY**

**LOCAL GOVERNMENT AND  
ELECTIONS**

**NATURAL RESOURCES, ENVIRONMENT  
AND GREAT LAKES**

**OUTDOOR RECREATION AND  
TOURISM**

**REDISTRICTING**

**REFORMS, RESTRUCTURING,  
REINVENTING**

**REGULATORY REFORM**

**TRANSPORTATION**

**VETERANS, MILITARY AFFAIRS AND  
HOMELAND SECURITY**

## **HOUSE STANDING COMMITTEES**

**AGRICULTURE**

**APPROPRIATIONS**

**BANKING AND FINANCIAL SERVICES**

**COMMERCE**

**EDUCATION**

**ENERGY AND TECHNOLOGY**

**FAMILIES, CHILDREN, AND SENIORS**

**GOVERNMENT OPERATIONS**

**HEALTH POLICY**

**INSURANCE**

**JUDICIARY**

**LOCAL, INTERGOVERNMENTAL,  
AND REGIONAL AFFAIRS**

**MILITARY AND VETERANS AFFAIRS  
AND HOMELAND SECURITY**

**NATURAL RESOURCES, TOURISM,  
AND OUTDOOR RECREATION**

**OVERSIGHT, REFORM, AND ETHICS**

**REDISTRICTING AND ELECTIONS**

**REGULATORY REFORM**

**TAX POLICY**

**TRANSPORTATION**

is ordered enrolled by the house in which the bill originated. Following enrollment and printing, the bill is sent to the Governor.

If a bill is passed in a different form by the second house, the bill must be returned to the house of origin and one of the following occurs:

a. If the amendment(s) or substitute bill of the second house is accepted in the house of origin, the bill is enrolled, printed, and sent to the Governor. It should also be noted that either house may amend an amendment made by the other house to a bill or joint resolution. At any time while in possession of the bill, either house may recede from its position in whole or in part and the bill may be returned to the other house for this purpose. If this further action is agreed to by both houses, the bill is ordered enrolled.

b. If the amendment(s) or substitute proposal of the second house is rejected in the house of origin, the bill is then sent to a conference committee (a special committee composed of three legislators from each house) which attempts to compromise differences between the two versions of the bill. The conference committee can consider only issues in the bill upon which there is disagreement between the two houses. However, when the agreement arrived at by the conferees is such that it affects other parts of the bill, such as in an appropriations measure, the conferees may recommend further amendments to conform with the agreement. The conferees may also recommend corrections to any errors in the bill. The conference committee may reach a compromise approved by at least a majority of the conferees from each house, and submit a report to the house of origin. If adopted, the report and bill are transmitted to the second house. If the conference committee report is approved in the second house, the bill is then enrolled, printed, and sent to the Governor.

A conference report may not be amended by either house. If the conference committee is not able to agree, or if the report is rejected by either house, a second conference committee is appointed. When a second conference has met and the two houses are still unable to agree, no further conference is in order.

## APPROVAL BY THE GOVERNOR

Upon receipt of an enrolled bill, the Governor has 14 days to consider the bill. The Governor may:

a. Sign the bill, which then either becomes law at the expiration of 90 days after the Legislature adjourns sine die (without day) or on a date beyond the ninetieth day specified in the bill. If the bill has been given immediate effect by a two-thirds vote of the members elected to

and serving in each house, the bill will become law after the Governor signs the bill and files it with the Secretary of State or on a day specified in the bill.

b. Veto the bill and return it to the house of origin with a message stating the Governor's objections.

c. Choose not to sign or veto the bill. If the bill is neither signed nor vetoed, the bill becomes law 14 days after having reached the Governor's desk if the Legislature is in session or in recess. If the Legislature should adjourn sine die before the end of the 14 days, the unsigned bill does not become law. If the Legislature has adjourned by the time the bill reaches the Governor, he or she has 14 days to consider the bill. If the Governor fails to approve the bill, it does not become law.



*Legislators join the governor at a bill signing along the shoreline of Lake Michigan as she signs the state's new water protection package.*

## Tips for Getting Bills Passed or Defeated

1. Talk to others about your bill. Persuade them about how important your bill is or how bad someone else's bill is.
2. Make deals. You can promise to vote for someone else's bill (without disregarding your own principles!) if that person votes for your bill.
3. Be willing to compromise. A few changes may make your bill more acceptable.
4. Get other legislators (especially members of your caucus) who favor your bill to help you out.
5. Make up a fact sheet about your issue to distribute.

## LEGISLATIVE VETO RESPONSE

If the Governor vetoes a bill while the Legislature is in session or recess, one of the following actions may occur:

a. The Legislature may override the veto by a two-thirds vote of the members elected to and serving in each house. The bill then becomes law.

b. The bill may not receive the necessary two-thirds vote and thus the attempt to override the veto will fail.

c. The bill may be tabled.

d. The bill may be re-referred to a committee.

e. Consideration of the veto override may be postponed indefinitely or to a definite time.

## REVIEW QUESTIONS.

1. What are the basic constitutional and procedural safeguards that ensure bills will receive adequate consideration before enactment by the Legislature?

2. What can happen if a bill is passed in a different form by the House and the Senate?

3. What options does the Governor have in approving or disapproving a bill passed by the Legislature?

**LEGISLATE.** Students briefly introduce their bills (use the “Bill for Introduction” worksheet below) to the entire chamber. The Speaker of the House or Senate Majority Leader assigns the bills (with a number) to the appropriate committee. The students’ goal will now be to get their own bills and those of their caucus passed. A reward system may be used to motivate students to follow through on their bills, doing all that they can to see that they are passed. The tips above should give students ideas for getting support for their bills.

The committees meet and the members discuss the bills that have been referred to their committees. The committee acts on the bills by reporting them out (with or without recommendation) or by refusing to report the bill out of committee. Follow the steps detailed in this section for continued floor action on the bills, such as second reading, third reading, enactment, etc.

## OTHER ACTIVITIES.

Make an illustration or poster of the key activities as a bill goes through the legislative process.

### Bill for Introduction

Sponsor of bill \_\_\_\_\_

Special name of bill (if any) \_\_\_\_\_

Description of bill \_\_\_\_\_

Action taken on bill

Date introduced \_\_\_\_\_

Referred to committee \_\_\_\_\_

Reported out of committee \_\_\_\_\_

Floor debate \_\_\_\_\_

Passed or defeated \_\_\_\_\_

Votes for or against \_\_\_\_\_

Substitute bill or amendments \_\_\_\_\_



# CITIZEN PARTICIPATION

## Legislative Terms

**Petition**

A request to a public official that seeks to correct a wrong or to influence public policy. Informal citizen petitions usually include a statement of what should be done and signatures of friends, neighbors, or others showing support for this position.

**Public Hearing**

Public discussion and testimony on a bill which may be scheduled by a committee.

It is important in a democracy that citizens help keep their legislators informed. In order to be true representatives of the people, legislators need to know the thinking of their constituents on those issues upon which decisions will be made and the facts on which such thinking and conclusions are based. As a citizen, you can help obtain good legislation on state and national levels by communicating with your elected representatives at the proper time.

### IS THERE A BILL OR AN ISSUE OF PARTICULAR CONCERN TO YOU? ORGANIZE!

Forming a group to lobby for or against legislation is often more effective than individual efforts. A group is far more visible, has greater resources, and carries more political weight.

Organize a group of friends, co-workers, or neighbors around a specific issue of concern to all of you. Define your goals . . . identify tasks that are part of the plan . . . divide the work. (For instance, one person can research available material, another can keep track of the bill, several can attend all committee meetings, several can personally meet with the legislator, etc.) . . . keep informed.

It is best for the group to meet informally or socially with legislators even before the group has specific legislative requests to make. Professional lobbyists specifically suggest this kind of personalized, informal contact. Friendly, personal acquaintance and help at campaign time form a strong basis for personal or group lobbying efforts. If you are interested in becoming actively involved in influencing legislation, here are some important points that will make your lobbying efforts more effective:

### PERSONAL CONTACTS

Personal contacts can be a meaningful way to influence a legislator.

a. Before contacting any legislators, take the time to read all available background material on the bill or issue which concerns you. Although it is obviously beneficial for you to know a great deal about the specifics of bills and issues, it is not essential that you know everything. The primary goal of your visit is to express your concern over a particular bill or issue.

b. Know when and where to contact a legislator. The best times to meet with legislators in their Lansing offices are Tuesday, Wednesday, or Thursday. (House sessions are generally held on Tuesdays and Wednesdays at 1:30 p.m. and Thursdays at 12:00 noon, while Senate sessions normally begin at 10:00 a.m. on Tuesdays, Wednesdays, and Thursdays.)

Due to the extremely busy schedules that legislators keep while in Lansing, it is best for you to make an appointment to meet with either the legislator or a member of their staff. Let their office know what issue you wish to discuss, as well as the amount of time you anticipate will be needed for the meeting.

c. If you have genuine expert knowledge, share it with the legislator. It will be welcomed. No legislator can be an expert on everything. All views are important, but expertise is especially valued. Remember, any lobbyist's most useful role is as a source of information for a legislator. If you have read the bill carefully and/or understand the issues involved as a result of personal knowledge or research, you may be of great assistance to the legislator.

d. Be constructive. If a bill deals with a problem you admit exists, but you believe the bill is the wrong

approach, explain what you believe is the right approach. If you want to suggest amendments to a bill that has been introduced, it is important that you have: (1) a clear idea of what you want to be included or deleted; (2) the reasons to justify the proposed change; and (3) good, strong facts to back up your position before you contact your legislator. If possible, leave copies of your position and/or suggested changes with the legislator.

e. It is usually a waste of time to lobby legislators who are already supporting your position, although they may be helpful in making suggestions for your lobbying efforts.

f. You do not need a crowd to lobby. One, or possibly two, well-informed lobbyists on the same subject are more effective and less confusing than a large group at the same time.

g. When you introduce yourself, save time by making it clear who you are and what organization, if any, you are working with. If you are cooperating with some group from the legislator's home district, mention it, and the fact that the home district group may also be trying to reach the legislator.

h. Do not "overkill." Most legislators have many demands on their time. An elaborate sales job or long, emotional speech will not be appreciated. They do, however, want your well-prepared facts and views, presented in a straightforward manner. Make sure their time is well spent in talking to you. Stick to the issues that you came to discuss; don't wander into other issues.

i. It is easy, particularly when dealing with legislators who disagree with you, to become angry and frustrated.



*A well-written letter is usually the best way to communicate concerns and ideas to a legislator.*

If you disagree, a calm, reasonable attitude and a set of well-prepared reasons for your position may change their minds on the issue. It is generally advisable not to get into arguments which may trigger prejudices. Remember, you may not have all the facts on an issue or bill.

Let legislators explain their views – listen without interrupting – they often have input from many resources to which you may not have access, such as fiscal agencies, state departments, other groups with expertise on the issue, and legislation from other states.

Take a few notes about their comments, noting any questions they have. Give the answers you know, and offer to get the others, if possible. Understanding their views of the facts and where they come from will help your organization develop counterarguments.

j. Don't demand a commitment before the facts are in. Give your legislator a fair chance to examine all sides of an issue.

The legislative process is very complex and bills change their shape in committee and on the floor of both houses of the Legislature. A bill rarely becomes law in the same form as introduced. It is possible that the bill you supported originally is so changed in the process that you would oppose its final form.

A legislator may be forced to vote on the bill as a whole, weighing the good with the bad and the needs of all constituents and/or the state as a whole, rather than a particular group or individual.

## LETTER WRITING

A personal letter or message via e-mail or the Internet may be the most effective way of contacting your legislator, whether in Lansing or Washington. Many offices prefer e-mail. If you're new at this type of letter writing, here are some suggestions on how your letters can be most effective:

a. **Address it properly:** Know your legislator's full name and correct spelling. For specific addresses, see individual lists. Here are some examples:

U.S. SENATOR  
The Honorable (full name)  
United States Senator  
Address

Dear Senator (last name):

U.S. REPRESENTATIVE  
The Honorable (full name)  
United States Representative

Dear Congressman/woman (last name):

#### STATE SENATOR

The Honorable (full name)  
State Senator  
State Capitol  
P.O. Box 30036  
Lansing, MI 48909-7536

Dear Senator (last name):

#### STATE REPRESENTATIVE

The Honorable (full name)  
State Representative  
State Capitol  
P.O. Box 30014  
Lansing, MI 48909-7514

Dear Representative (last name):

**b. Always include your last name and address on the letter or e-mail.** A letter cannot be answered if there is no return address or the signature is not legible.

**c. Use your own words.** Avoid form letters and petitions. They tend to be identified as organized pressure campaigns and are often answered with form replies. However, a petition does let the legislator know that the issue is of concern to a large number of people (addresses with zip codes should be given for each signature). One thoughtful, factual, well-reasoned letter carries more weight than 100 form letters or printed postcards.

**d. Time the arrival of your letter or e-mail.** Try to write to your legislator, and the chairperson of the committee dealing with a bill, while a bill is still in committee and there is still time to take effective action. Sometimes a bill is out of committee, or has been passed, before a helpful, informative letter arrives which could have made a difference in the way the bill was written or in the final decision.

**e. Know what you are writing about.** Identify the bill or issue of concern to you. Thousands of bills and resolutions are introduced in each session. If you write about a bill, try to give the bill number or describe it by popular title, such as “the Whistleblower’s Act,” or “the School Code.”

**f. Be reasonably brief.** Many issues are complex, but a single page, presenting your opinions, facts, arguments, or proposals as clearly as possible, is preferred and welcomed by most legislators.

**g. Give reasons for your position.** Explain how the issue would affect you, your family, your business, or profession, or the effect on your community or our state. If you have specialized knowledge, share it with your legislator. Concrete, expert arguments for or against the bill can be used by the legislator in determining the final outcome of a bill.

**h. Be constructive.** If a bill deals with a problem you admit exists, but you believe the bill is the wrong approach, explain what you believe to be the right approach.

**i. Groups and individuals should determine their priority concerns** and contact the legislator on those specific issues rather than on every issue. The “pen pal” who writes every few days on every conceivable subject tends to become a nuisance, rather than an effective voice of concern.

**j. You may not always receive a long, detailed response to your letter.** Legislators are very busy and usually cannot respond with long, personal replies to each correspondent.

**k. Write to express appreciation** when you feel a legislator has done a good job. Legislators are human too and seldom receive “thank you” letters of encouragement.

Remember, on any particular issue, even a few letters or e-mails to one legislator can have an important impact. Sometimes just one letter or e-mail from a new perspective or with clear-cut, persuasive arguments can be the decisive factor in a legislator’s action.

If you decide you want to be further involved in the future of a particular bill, keep track of the bill. Consider testifying on it before a committee. There may also be a public hearing on it in your area.

## TESTIFYING BEFORE A COMMITTEE

If you become aware that a particular bill of interest to you has been introduced, **KEEP TRACK OF IT.** Find out from the Clerk of the House, the Secretary of the Senate, or an interested organization which committee the bill was referred to. You may want to write to the chair of that committee requesting that the bill be put on the agenda or scheduled for a hearing. (Be sure you send your name, address, telephone number, and e-mail address.) Sometimes only a volume of letters on a particular bill will assure that it receives a committee hearing, since not all bills are “automatically” considered – many die without ever having been considered by a committee.

It is important to note that attention given to bills in regular committee meetings may not be as extensive as in a public hearing because of time limitations. A committee may be regularly scheduled to meet for an hour and may need to consider three or four bills during that time. A public hearing, on the other hand, may hear testimony on a single issue for several hours. However, only major pieces of legislation, or bills in which there is widespread interest, will normally be scheduled for public hearings.



*Testifying before a committee is an important way to have your opinion heard.*

When a bill is scheduled on the committee agenda for consideration, and if you have an active interest in the legislation and feel there are contributions you can make to the committee process, you may decide to testify at either a meeting or a hearing. The purpose of testimony given should be to inform so that committee members can vote on the bill with as full an understanding as possible of all sides of the issue it addresses and the consequences of its passage. In a meeting, the sponsor, experts on the problem, and informed members of the public will normally be heard. If the measure is controversial or additional information is needed before a decision can be reached by the members, most committees will gladly put the bill over to a future meeting or even a public hearing.

If you find out about a bill after it has passed in its house of origin, you still may have the opportunity to be heard before the committee to which it has been referred in the other house.

The following guidelines are suggested to assist citizens in making their testimony influential and effective:

- a. **Write** to committee members and to your own legislator, simply expressing support or opposition to the legislation. (See letter writing section, page 19.)
- b. **If you decide to testify**, notify the committee as soon as possible of your desire and, as a courtesy, let your legislators know that you have asked for time to present testimony.
- c. **If you represent a group of individuals or an organization**, choose one person to present the group's

point of view and bring others along as supporters. (No committee wants to hear the same testimony over and over.)

d. **Prepare testimony and/or suggested amendments in advance.** Read the bill carefully and any available analyses. Do research, if necessary; be sure that all your facts, background material, and figures are accurate. Consult with others to determine the scope of the issue and clarify what you, or the group, want to cover in your testimony.

e. **Prepare a clear, concise written statement** which has been thoroughly proofread for errors and review it with others who have the same interest.

f. **When you testify**, identify who you are and, if you represent a group, give the name of the group. At the beginning of your remarks, state whether you are testifying in support or opposition of the proposal or bill. Relate your group's or your own experience or views directly to the issue.

g. **Keep your testimony short and to the point.** If your testimony is lengthy and complex, it is best to offer highlights at the hearing and request permission to place your complete position and supporting material in the record. Anything you present in writing will be placed in the committee members' files and will be available to them at any future meetings. If possible, have copies of testimony available for committee members and staff.

h. **Avoid emotional speeches and propaganda.** Your role is an important one – don't abuse it. This is the surest way to invite a hostile reaction and alienate the very committee members you are trying to persuade to your point of view.

i. **If you are asked a hostile question**, keep a cool head. Don't be afraid to stop and think for a minute to answer a question properly. If you don't have the answer, never guess – request permission to file a detailed response at a later date.

Without the support of the committee involved, the bill or proposal you are interested in may never make it to the floor to be voted on. Even if you prefer not to testify, your attendance at a hearing and personal correspondence with committee members and your own legislators are important in influencing the decision-making process.

## **REVIEW QUESTIONS.**

1. Name some of the ways that you as an individual citizen can influence legislation.
2. What are some of the most effective techniques for making personal contacts with legislators?
3. What are some key thoughts to keep in mind when writing a persuasive letter to your legislator regarding legislation?



# LEGISLATIVE OVERSIGHT

## Legislative Terms

<b>Sunset</b>	Laws that include provisions for automatic expiration at the end of a specified period of time. Sunset laws typically require a reauthorization of programs by the Legislature at stipulated intervals, such as five years. Without reauthorization, the program lapses or other conditions set forth in the sunset provision take effect.
<b>Executive Order</b>	A document issued by the Governor relative to changes in the organization of the executive branch or in the assignment of functions among its units or a proposed reduction in expenditures. Other Executive Orders are issued under the Governor's emergency power. Some are issued to establish various special committees, while others are developed to deal with management problems.
<b>Administrative Rule</b>	A regulation, statement, standard, policy, etc., developed by a state agency, which implements or applies law enforced or administered by the agency or which prescribes the organization, procedure, or practice of the agency. An administrative rule has the force and effect of law.
<b>Boilerplate</b>	Conditions and stipulations governing the expenditure of money within an appropriation bill.
<b>Advice and Consent</b>	Power vested in the Michigan Senate by the Constitution to give its advice and consent to the Governor in making appointments.

There are various elements to legislative oversight, which is a general term for the Legislature reviewing the activities of agencies in state government. It involves investigating past actions and monitoring and examining ongoing activities. In addition to assessing how well programs are doing, legislative oversight includes determining if the programs are worthwhile.

The first form of legislative oversight includes inquiries about policies that are or have been in effect and investigations of past administrative actions. Executive department officers may be asked to account for their financial transactions. This perspective of oversight would view it as a review or investigation of past actions, focusing upon specific instances of wrongdoings, inefficiencies, or failure of executive agencies to act as the Legislature has mandated.

A second perspective involves monitoring and examining ongoing administrative activities. It implies looking over someone's shoulder to see if a program is administered properly.

A third viewpoint is more comprehensive and goes beyond negative actions. Oversight from this perspective may be preventive, as well as corrective. Unlike the post facto and monitoring approaches that concentrate primarily on the procedures and operations of an executive agency, this orientation may also shift the focus of oversight to the creation of a program and its impact. The question is not only whether a particular function is being performed the way the Legislature intended it to be with reasonable efficiency, but also whether the function is worth doing at all.

## TYPES OF OVERSIGHT

Oversight varies in the depth of examination of a specific project. It may vary from a single request for information to a lengthy process involving a number of different functions lasting over an extended period of time. It can involve looking at existing laws and rules governing a specific state agency. A review may involve examining the internal operations of an agency, including the number of personnel and their

duties. Examinations may draw on fiscal and programmatic information from a variety of sources, be they the fiscal agencies, the caucus staffs, the Legislative Service Bureau, or the Auditor General. Executive departments may also provide information for oversight efforts.

There are three types of legislative oversight techniques: legislative; fiscal and analytical; and authoritative. The legislative techniques include committee hearings and meetings, review of Executive Orders, administrative rules, and determinations of certain laws that expire on a specific date. The fiscal and analytical techniques include the appropriations process and the audit process. Authoritative techniques include the advice and consent of the Senate in reviewing gubernatorial appointments.

Some oversight activities occur on a year-round basis, such as the auditing of state books and records by the Auditor General. Other activities occur on a more or less regular basis, but intensify during certain times of the year, such as the activities of the Joint Committee on Administrative Rules (JCAR), the appropriations committees, or certain standing or special committees.

On the other hand, legislative oversight may occur in response to a particular action, such as when the Governor makes appointments. The Senate may decide to take advantage of its advice and consent powers and engage in oversight when it is reviewing gubernatorial appointments, or when the House and Senate appropriations committees review certain Executive Orders. In some instances, a law may be scheduled to expire, and a standing committee may review a bill seeking to extend the particular law. A specific problem may become evident, and a special committee may be created to evaluate how well the program is operating.

Some oversight activities are required by a constitutional or statutory provision, while others are performed on a discretionary basis. Sometimes, the Legislature needs to take a certain step before an agency may take a certain action.

Oversight techniques may be intertwined with the normal stages of the legislative process. At times, it may be difficult to separate the lawmaking process from the oversight process. Standing committees may spend part of their time determining how well a program is operating and assessing the worth of a program. Sunset review is a combination of oversight and lawmaking. First, a committee determines how well a program is operating to determine if it is worth

continuing. If it is, then a bill to continue the program is sent along the normal steps of the lawmaking process. During the appropriations process, emphasis may shift back and forth between assessing the overall worth of a program and deciding if the appropriations for the program should be increased, decreased, or eliminated.

### Types of Oversight

Legislative	Committees Sunset provisions Executive orders Administrative rules
Fiscal and analytical	Appropriations process Audit process
Authoritative	Advice and consent

## COMMITTEES

With some committees, oversight is a major concern, and with others it is a lesser part of the committee's overall effort. A key distinction is that there are two types of committees, those that consider bills and those that do not. Those committees that do not consider bills may have a greater opportunity to engage in oversight. There are various types of committees: standing committees, subcommittees, select committees, and special committees. Ad hoc committees and task forces may also be appointed.

The major focus of a standing committee is prospective in nature because the committee is considering bills to correct existing problems and solve future needs. However, there may also be a retrospective focus in that a standing committee may evaluate how well state agencies are carrying out legislative intent. Special committees, ad hoc committees, or task forces are not assigned bills and, as a result, may have greater opportunity to engage in a review of existing programs.

Many factors influence the type and extent to which a committee may engage in oversight, including responsibilities given to a committee, interests of the chair and the committee members, access to staff and the ability and willingness to use it, the nature of the subject, the political visibility of the subject, and the working relationship between committee members and officials of the executive agency in question.



## EXECUTIVE ORDERS

Although Executive Orders often go unnoticed by the public, they affect the daily lives of Michigan citizens. Executive Orders cover a host of activities, such as reorganizing state government, bringing state expenditures into line with state revenues, dealing with civil disturbances, assigning administrative responsibilities to state agencies, creating advisory boards to study state issues, dealing with the conduct of public officials, and handling many other issues.

Executive Orders can be used to close certain businesses during times of civil disturbances, to create a panel to look into a current issue, or to suspend a rule during an energy emergency. In other instances, an order may be issued pursuant to a federal law requiring the assignment of a state agency to handle a problem.

The Legislature does have direct and indirect involvement in the Executive Orders process. An advisory study commission may make recommendations calling for specific legislation. In other cases, the Legislature may need to deal with appropriations for an agency established pursuant to an Executive Order.

The 1960s, with the adoption of Michigan's present Constitution, brought two major constitutional changes in this arena. The first is in the organization of state government. In addition to authorizing the Governor to issue Executive Orders to reorganize the executive branch when necessary, the 1963 Constitution requires Executive Orders, which have the force of law, to be submitted to the Legislature with the power to reject such orders. The fact that these Executive Orders are subject to a form of legislative veto reflects the Constitution's recognition of the importance of legislative oversight.

The second area in which the 1963 Constitution brought a change in the issuing and execution of Executive Orders involves the state budget. Under the 1963 Constitution, the Governor is empowered, as part of the general mandate to balance the budget, to reduce appropriations by Executive Order. These reductions must be approved by the appropriations committees of both houses. There have also been a number of times in which this type of an order has not been approved and a subsequent order (which appears to be a compromise order) is ultimately adopted.

## SUNSET

An oversight tool that has been used is placing an expiration date (a date of sunset) on all or part of a public act. The strategy of sunset is to force an automatic

and systematic evaluation of an agency, program, or statute by establishing a specific date for termination. With the sunset date, a mechanism is triggered, and an agency or program cannot be continued unless the Legislature approves the continuation.

## APPROPRIATIONS PROCESS

The Legislature also exercises its oversight authority through the appropriations process. In addition to using budget amounts to reflect the Legislature's wishes, appropriations bills often include various reporting mechanisms to monitor how state and federal funds are being spent. The budget document has built into it so-called "boilerplate" provisions that accommodate the oversight of past appropriations. For example, a boilerplate provision may require a department to report to the Legislature or a specific committee.

The budget process provides for a retrospective view of appropriations and a specific examination of proposed appropriations. The budget document as prepared by the Governor and the Department of Management and Budget indicates the appropriations for the present year for existing programs, technical amendments, economic adjustments, program adjustments, and total adjustments. This incremental process has built into it a mechanism that allows for a systematic overview of appropriations for the current year.

## AUDIT PROCESS

The Auditor General, a legislative position established in the Constitution, operates on a year-round basis in auditing state agencies and higher education institutions. The Auditor General is responsible for auditing hundreds of units in all



*The Auditor General and staff study financial records of programs of state government.*

branches of state government and higher education. Specifically, these include state departments, universities, community colleges, mental health clinics, and authorities. The Office of the Auditor General (OAG) examines agency financial records and reviews program operations. The results of these examinations are presented in audit reports that contain recommendations of corrective action. Once an audit report has been issued, a series of channels may be used for reviewing the findings and recommendations of the Auditor General. Information on Auditor General reports is available on the Internet (<http://www.audgen.michigan.gov/>). These reports are also sent to legislative leaders, the appropriations committees, fiscal agencies, the standing committees most directly affected, and to any legislators who request the reports. The reports are also sent to the Executive Office. The OAG routinely provides legislative briefings to key members of oversight and appropriations committees and other members of the Legislature who have expressed a particular interest in specific topics or audit reports. Several of the audit report briefings have resulted in legislators requesting OAG staff to testify at hearings on the audit report itself.

## **ADMINISTRATIVE RULES**

The Administrative Procedures Act provides for three substantive areas of activity: rule making, administrative adjudication, and judicial review. Rule making is another mechanism the Legislature uses to exercise oversight.

Through a series of procedural steps, the Legislature is involved in the rules executive agencies have developed.

## **ADVICE AND CONSENT**

By authority set forth in the Michigan Constitution, the Senate has advice and consent powers to assess the background and capabilities of individuals selected by the Governor to assume policymaking positions in state government. In addition to those nominated to serve on numerous boards and commissions, certain agency directors may also be subject to the advice and consent process in the Senate.

## ***REVIEW QUESTIONS.***

- 1. Provide a definition for the word “oversight.”*
- 2. Name the three different types of oversight and give an example of each.*
- 3. Identify several oversight techniques used in examining how state funds are spent.*
- 4. Why is oversight important?*

# THE DEVELOPMENT OF THE STATE BUDGET

## Legislative Terms

<b>Appropriation</b>	Legal authorization to make specified expenditures for specific purposes. Appropriations are usually created by legislative enactment, but may also be created by state law, constitutional provision, or contractual agreement.
<b>Budget</b>	A plan of financial operation which includes both an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.
<b>Revenue</b>	Money or income received by the state, including taxes, federal funds, sales of licenses or permits, fees, lottery profits, bond sale proceeds, etc.
<b>Fund</b>	A self-balancing group of accounts in which all revenues and expenditures of a distinct phase of governmental activity are recorded. For example, the “State General Fund” is established to account for the general activities of state government.
<b>Joint Capital Outlay Subcommittee</b>	A joint committee, consisting of members of the House and Senate appropriations committees, responsible for the review, evaluation, and development of all capital outlay (land acquisition, building and construction, addition, renovation) projects of the State of Michigan.

Creating the state budget is one of the most important activities performed by the legislative and executive branches of Michigan government each year. The state budget is a complete financial plan and encompasses all revenues and expenditures, both operating and capital outlay, of the General Fund, special revenue funds, and federal funds for the 12-month period extending from October 1 of one year to September 30 of the next. The fiscal year is defined by Act No. 431 of the Public Acts of 1984, as amended. Pursuant to Article IX, Section 17 of the State Constitution, “No money shall be paid out of the state treasury except in pursuance of appropriations made by law.”

## CONSTITUTIONAL PROVISIONS RELATING TO THE STATE BUDGET

The State Constitution contains several provisions which govern the development of the state budget.

Article V, Section 18 of the *Constitution of the State of Michigan of 1963* provides that:

*The Governor shall submit to the legislature at a time fixed by law, a budget for the ensuing fiscal period setting forth in detail, for all operating funds, the proposed expenditures and estimated revenue of the state. Proposed expenditures from any fund shall not exceed the estimated revenue thereof.*

The amount of any surplus or deficit in any fund for the last preceding fiscal year must also be included in the succeeding fiscal year’s budget.

At the same time the budget is submitted, the Governor submits to the Legislature general appropriation bills embodying the proposed expenditures. The budget bills are to contain the individual line item accounts, including the number of full-time equated (FTE) positions to be funded. The

Governor also submits any necessary legislation to provide new or additional revenues to meet proposed expenditures (an appropriations bill, when enacted, provides the legal authorization to make specified expenditures for specified purposes). Like all other bills, appropriation bills need to be introduced by a member or members of the House of Representatives or Senate before they can be considered by the Legislature. Any bill requiring an appropriation to carry out its purpose is considered to be an appropriations bill.

It should be noted that once the appropriation bills have been introduced into the Legislature, the State Constitution permits the Governor to submit amendments to the appropriation bills during consideration of the bills by either house. This is accomplished by what are known as “Revised Executive Recommendations” letters.

The Governor is also required to submit bills to meet deficiencies in current appropriations. The Governor may use any number of procedures to fulfill these constitutional requirements, such as asking a legislator to offer amendments to a bill already introduced or to introduce a new bill, or sending letters to the appropriations committees recommending supplemental appropriations, either positive or negative.

The state keeps track of revenues and expenditures for particular phases of governmental activity through a number of different funds. By statute, the General Fund covers all state appropriation, expenditure, and receipt transactions, except those where special constitutional or statutory requirements demand separate fund accounts. Most of the traditional state services are included in this fund. The General Fund is the predominant element in the annual budget review and enactment, from the viewpoints of both appropriations and taxes. This is evidenced by the frequent identification of the “General Fund” with the State of Michigan as a whole. The General Fund is financed by what are defined as general purpose and restricted revenues. General purpose revenues (GF-GP) are not restricted to a particular use.

Restricted revenues are those resources which, by Constitution, statute, contract, or agreement, are reserved to specific purposes. Expenditures of restricted revenues are limited by the amount of revenue realized and amount appropriated. In addition to the General Fund, special revenue funds are used to finance particular activities from the receipts of specific taxes or other revenue. Such funds are created by Constitution or a statute to provide certain activities with definite and continuing revenues. Other types of



*Legislators attend committee meetings and hearings and ask state department officials and other interested individuals their opinions about legislation before a committee.*

funds include revolving funds, bond funds, bond and interest redemption funds, and trust and agency funds.

As specified in Article IV, Section 31 of the *Constitution of the State of Michigan of 1963*:

*The general appropriation bills for the succeeding fiscal period covering items set forth in the budget must be passed or rejected in either house of the Legislature before that house passes any appropriation bill for items not in the budget except bills supplementing appropriations for the current fiscal year's operations.*

A key element of the process of developing the state's budget is establishing revenue estimates for each of the state funds in sufficient detail to provide meaningful comparisons and summary totals (estimated balances) for each fund. These total estimates shall not be less than the total of all appropriations made from each fund in the general appropriations bills passed. An Attorney General opinion has clarified this position by stating that estimated fund balance plus revenue must cover the total appropriated from each fund.

Section 6 and sections 25 through 34 of Article IX of the *Constitution of the State of Michigan of 1963* limit state expenditures, specify the proportion of the total state spending which must be paid to local governments each year, and require the state to fund new or expanded programs mandated of local government by state government. Known as the “Michigan Tax Limitation Amendment” or “Headlee Amendment” after one of its chief proponents, insurance executive Richard Headlee, this ballot proposal amended one existing section (6) of Article IX and added ten new sections (25-34). The primary purpose behind this amendment was to limit the



growth of state and local government budgets. One executive budget bill and one enacted budget bill must contain an itemized statement of state spending to be paid to units of local government, total state spending from sources of financing, and the state-local proportion derived from that data.

The 1978 amendments to the Michigan Constitution guarantee that local units will receive a proportion of state expenditures not less than they received in fiscal year 1979, which is 48.97 percent of state revenues. The state is also required to fund fully the cost of any new programs or expanded services mandated of local governments by the state. Legislation enacted to implement the 1978 constitutional amendments excludes from such mandated costs local government employee wage or benefit increases, expenses associated with federally mandated programs, and requirements that do not exclusively apply to local units of government. An example of the latter would be higher water pollution standards which apply to businesses as well as local governments.

Section 26 of Article IX of the Michigan Constitution, as approved by the voters in 1978, provides that total state revenues (excluding federal funds) which may be expended in any year:

*... shall be equal to the product of the ratio of Total State Revenues in fiscal year 1978-1979 divided by the Personal Income of Michigan in calendar year 1977 multiplied by the Personal Income of Michigan in either the prior calendar year or the average of Personal Income of Michigan in the previous three calendar years, whichever is greater.*

This ratio cannot be changed without a vote of the people. If total state revenues in a fiscal year exceed the constitutional limit by one percent, refunds are to be made on a prorated basis to citizens who pay Michigan income or single business taxes.

A counter-cyclical budget and economic stabilization fund, commonly referred to as the Budget Stabilization Fund (BSF), was created in 1977 to assist in stabilizing revenue and employment during periods of economic recession. In general, the law requires payments into the fund when real economic growth exceeds two percent and allows withdrawals from the fund when real economic growth is less than zero percent. Also, any time Michigan's seasonally adjusted unemployment rate exceeds eight percent in a given quarter, the Legislature may appropriate money from the BSF for projects that are designed to create job opportunities.

## DEVELOPMENT OF THE EXECUTIVE BUDGET

Initial development of each new fiscal year's budget begins approximately 13 to 14 months prior to the beginning of the new fiscal year, when the State Budget Office issues program policy guidelines to the departments. The guidelines and directions incorporate assumptions regarding revenue changes, federal funds information, and economic adjustments. The guidelines also include instructions for the preparation of several different levels of expenditures for each department. By October, departments submit their budget proposals to the State Budget Office. These recommendations and revenue estimates are incorporated in the Governor's presentation of the budget to the Legislature.

The January consensus revenue estimating conference first convened in 1992, pursuant to 1991 PA 72. This conference was created to develop more accurate revenue forecasts, which are used, along with various targets suggested by the Governor for the overall budget, to develop the coming year's budget. The revenue estimating conference also establishes an official economic forecast of major variables of the national and state economies. The principal participants in the conference are the State Treasurer, the Director of the Senate Fiscal Agency, and the Director of the House Fiscal Agency or their respective designees.

A second conference is conducted in May in order to draw on the most recent tax receipts and economic data. May consensus estimates provide updated information which is used to make adjustments before final passage of appropriations bills for the upcoming fiscal year. Further revenue estimating conferences may be held as needed.

The Management and Budget Act, 1984 PA 431, requires the budget to be submitted within 30 days after the Legislature convenes in regular session on the second Wednesday in January, except in a year in which a newly elected Governor is inaugurated into office, when 60 days shall be allowed.

After the Governor submits the budget and accompanying explanations, recommendations, and legislation, the appropriation bills, which are introduced by a member or members of the Legislature, are referred to the appropriations committees for hearings and analysis. Legislative passage of the budget bills is usually accomplished prior to the beginning of the new fiscal year. Generally, the Governor submits the complete budget in February, the appropriation bills are considered and passed in April by the first house



*The Governor submitting her budget to a joint session of the House and Senate Appropriations Committees.*

and in early June by the second house, and conference reports or final action is completed around July 4.

## **APPROPRIATION BILL FORMAT**

Traditionally, a multiple appropriation bill approach is used in Michigan. There are certain standard appropriation bills which are listed in Table 1.

In addition to these standard appropriation acts, there may be any number of supplemental appropriation acts. In recent years, there have been between two and ten supplemental appropriation acts.

As shown in Table 2, during the years 1992-2008, the Legislature passed, on the average, 22 appropriation bills a year.

Appropriations are authorized by major governmental unit or program and by line-item. Generally, the appropriation bills offered by the Governor are in the same detail as enacted for the previous year except when format changes are proposed. Legal provisions governing the appropriations are reviewed and often revised further and the bills are checked for form by the Legislative Service Bureau.

Each appropriation bill contains certain conditions and stipulations governing the expenditures called "boilerplate." In 1981, much of the standard language which appeared in most of the annual budget bills was incorporated into one statute (1981 PA 18), which was subsequently recodified into 1984 PA 431. This act regulates appropriations, allocations, and expenditures; provides for general legislative oversight of the budgetary process; makes stipulations concerning the lapsing of funds; and requires certain reports.

Michigan does not have a statutory requirement that fiscal notes accompany legislation. However, the House and Senate Fiscal Agencies review legislation

for budgetary impact, alert legislators, and provide written analyses by the time a bill appears on the House and Senate calendars.

## **THE APPROPRIATIONS COMMITTEES**

Each house has an appropriations committee to review appropriation measures. In 2009, the Senate Appropriations Committee consists of 18 members while the House Appropriations Committee has 31 members. These are the largest standing committees in either house. Both houses' appropriations committees have established subcommittees which generally correspond to the major appropriation bills.

A Joint Capital Outlay Subcommittee (JCOS), consisting of 20 members, 10 from each house's appropriations committee, has also been established. A formal policy of the Subcommittee alternates the chair between the House and Senate every two years. The JCOS is responsible for the review, evaluation, and development of all capital outlay (land acquisition, building and construction, addition, and renovation) projects involving state agencies and public universities and community colleges. It is also the only subcommittee that has certain duties and responsibilities identified by statute.

## **ENACTMENT OF APPROPRIATIONS LEGISLATION**

By custom, all the appropriation bills are introduced in both houses simultaneously and are divided between the houses for consideration. Generally, all the appropriation bills are introduced by each appropriations committee chair or the ranking member of the Governor's party, but, traditionally, only half of the bills move in each house initially. Currently, the practice is to alternate the house of origin each year. This practice allows both appropriations committees to work simultaneously on the appropriation bills.

The appropriations committees conduct a series of hearings on the appropriations legislation. First, the Department of Management and Budget presents an overview of the Governor's proposed budget to the committees. House Fiscal Agency and Senate Fiscal Agency staffs provide more detailed briefings to their appropriations committees after the presentation by the Department of Management and Budget. The fiscal agencies also prepare detailed reviews and analyses of the Governor's proposals, which are made available to all members of the House and Senate. Subsequently, the subcommittees in each house receive more detailed



**TABLE 1****STANDARD APPROPRIATION BILLS**

Agriculture	Energy, Labor and Economic	Military and Veterans Affairs
Capital Outlay <sup>1</sup>	Growth	Natural Resources
Community Colleges	Environmental Quality	School Aid (K-12)
(Community Colleges	General Government <sup>2</sup>	State Police
and Junior Colleges)	Higher Education	Strategic Fund Agency
Community Health	History, Arts and Libraries	Transportation
Corrections	Human Services	
Education (Department of)	Judiciary	

<sup>1</sup> Acquisition of or additions to fixed assets, i.e., land acquisition, building and construction, additions, and renovations.

<sup>2</sup> The Legislature, the Executive, Departments of Attorney General, Civil Rights, Civil Service, Information Technology, Management and Budget, State, and Treasury.

**TABLE 2****ENACTMENTS AND VETOES: 1993-2009**

Year	Number of Enrolled Bills Presented to the Governor	Number of Enrolled Bills Which Contained Appropriations and Which Were Presented to the Governor	Number of Enrolled Appropriations Bills Which Contained Item Vetoes	Number of Enrolled Bills Vetoed by the Governor	Number of Public Acts
1993	378	22	13	16	362
1994	461	20	7	10	451
1995	295	23	13	4	291
1996	604	22	13	10	594 *
1997	213	26	8	12	202
1998	573	23	6	20	553
1999	280	20	9	4	276
2000	516	20	11	21	506
2001	280	21	10	0	280
2002	766	24	15	19	747
2003	336	22	11	14	322
2004	650	21	6	54	596
2005	352	18	9	12	340
2006	737	13	6	55	682
2007	221	26	9	0	221
2008	588	23	11	2	587 *
2009	242	27	9	0	242

\*plus one initiative petition.

information from department officials regarding the executive budget, hold public hearings, and report their recommendations to the full committees.



*Legislator meets with the press to discuss developments regarding a recent budget crisis.*

In the full House and Senate committee meetings, the general format involves having the agency heads in attendance to provide any necessary explanation and clarification when their agency's appropriations are considered. The legislative fiscal analyst who works with the particular bill being considered is also present. The analyst may prepare a report or series of reports on the bill. The chair of the subcommittee that considered the bill may offer the committee amendments or substitute to the Governor's recommendations. The committee members are then free to ask questions about the bill and offer amendments. If the bill is approved by the full committee, the bill is reported to the floor without changes or with amendments or as a substitute.

Prior to floor consideration, the appropriations bills may be discussed in caucus by both parties. In addition to developing a party position, the caucus provides individual legislators with an opportunity to become better informed on the budget or particular items.

The legislative procedure for consideration of the appropriation bills is basically the same as for other bills except that appropriation measures receive priority on the legislative calendars. In many instances, members who are going to offer amendments will propose the changes to the appropriations committees before floor debate. Floor consideration varies considerably depending on the particular subject matter, issues, and other factors. There may be minimal debate or it may take a whole day or more for a given bill. Fiscal analysts prepare "floor sheets" summarizing the appropriation bill, the difference

in funding from the prior year, the Governor's recommendation or the other house's recommendation, new, expanded or eliminated programs, and total FTEs (full time equated positions) authorized.

Differences between the two houses are typically resolved by a conference committee procedure. The committee consists of six members, three from each house. Traditionally, when differences on any of the appropriation bills necessitate a conference committee, the conferees are usually members of their respective house's appropriations subcommittees. Rule 8 of the Joint Rules of the Senate and the House of Representatives provides:

*The conference committee shall not consider any matters other than the matters of difference between the two houses.*

*For all bills making appropriations, adoption of a substitute by either house shall not open identical provisions contained in the other house-passed version of the bill as a matter of difference; nor shall the adoption of a substitute by either house open provisions not contained in either house version of the bill as a matter of difference.*

*When the conferees arrive at an agreement on the matters of difference that affects other parts of the bill or resolution, the conferees may recommend amendments to conform with the agreement. In addition, the conferees may also recommend technical amendments to the other parts of the bill or resolution, such as, necessary date revisions, adjusting totals, cross-references, misspelling and punctuation corrections, conflict amendments for bills enacted into law, additional anticipated federal or other flow through funding, and corrections to any errors in the bill or resolution or the title.*

The conference committee may reach a compromise and submit a report to both houses of the Legislature. If the conference committee report is approved by both houses, the bill is enrolled and printed (final copy of a bill in the form as passed by both houses) and presented to the Governor. If the conference committee does not reach a compromise, or if the Legislature does not accept the conference report, a second conference committee may be appointed. The procedure shall then be the same as for an original conference. When a second conference committee fails to reach agreement, or when a second conference report is rejected by either house, no further conference is in order.



*Legislator provides an update on the state budget talks to members of the Capitol press corps.*

The same procedures related to approval of other legislation by the Governor also apply to appropriation bills, except that the Governor has line item veto authority and may disapprove any distinct item or items appropriating money in any appropriation bill. The part or parts approved become law, and the item or items disapproved are void unless the Legislature repasses the bill or disapproved item(s) by a two-thirds vote of the members elected to and serving in each house. An appropriation line item vetoed by the Governor and not subsequently overridden by the Legislature shall not be funded unless another appropriation for that line item is approved. Table 2 (page 30) shows the number of appropriations bills which had vetoes of specific items and the number of non-appropriation bills vetoed.

## BUDGET REVISIONS

Since state departmental budgets are planned well over a year in advance, there may be a need to adjust appropriations during the fiscal year.

It should also be noted that, as provided in the State Constitution, no appropriation is a mandate to spend. The Governor, by executive order and with the approval of the appropriations committees, shall reduce expenditures authorized by appropriation acts whenever it appears that actual revenues for a fiscal period will fall below the revenue estimates on which the appropriations for that period were based. By statute, any recommendation for the reduction of expenditures must be approved or disapproved by both of the appropriations committees within ten days after the recommendation is made. A reduction cannot be made without approval from both committees. Not later than 30 days after a proposed order is disapproved, the Governor may submit alternative recommendations

for expenditure reductions to the committees for their approval or disapproval. The Governor may not reduce expenditures of the legislative or judicial branches or expenditures from funds constitutionally dedicated for specific purposes.

It should be noted that the Legislature may reduce line item appropriations in supplemental appropriations bills.

Expenditure increases for a new program or for the expansion of an existing program cannot be made until the availability of money has been determined and the program has been approved and money appropriated by the Legislature.

Each department may request allotment revisions, legislative or administrative transfers, or supplemental appropriations. The Department of Management and Budget must approve revisions to allotments. Transfer of funds within a department are submitted by the Department of Management and Budget to the House and Senate appropriations committees for approval. The Legislature and Governor act on supplemental appropriation bills in a manner similar to original appropriations.

## STEP-BY-STEP SUMMARY OF THE BUDGET PROCESS

- A department reviews current operations, program objectives, issues, and future plans relative to the upcoming annual budget. The department submits a budget proposal to the State Budget Office.
- First Revenue Estimating Conference meets in January to develop a consensus revenue estimate for the fiscal year state revenues. The State Treasurer and the directors of the Senate Fiscal Agency and the House Fiscal Agency, or their designees, develop an estimate that is used as the basis for the Governor's formal budget estimate recommendation to the Legislature. A second revenue estimating conference is held in May.
- The Governor submits a budget within 30 days after the Legislature convenes in regular session. (In a year in which a newly elected governor takes office, 60 days are allowed for submitting the budget.)
- An appropriations bill is introduced by a legislator in the House or Senate.
- The bill is referred to the Appropriations Committee in the House or to the Appropriations Committee in the Senate.
- The bill receives a detailed review at one or more meetings conducted by a subcommittee.

- The full appropriations committee holds a meeting on the subcommittee's recommendations.
- The full appropriations committee adopts or amends the subcommittee recommendations and reports the bill with amendments or as a substitute to the floor.
- Floor debate, amendment, and passage of the bill occurs.
- The bill is transmitted to the second house and referred to the appropriations committee in the second house.
- The bill receives a detailed review at one or more meetings conducted by a subcommittee.
- The full appropriations committee holds a meeting on the subcommittee's recommendations.
- The full appropriations committee adopts or amends the subcommittee's recommendations and reports the bill with amendments or as a substitute to the floor.
- Floor debate, amendment, and passage of the bill by the second house occurs.
- If the bill is passed by both houses in identical form, the bill is ordered enrolled and printed by the house in which it originated. Upon enrollment, the bill is presented to the Governor. However, if the bill is passed in a different form by the second house, the bill must be returned to the house of origin. If the amendments or substitute bill of the second house are accepted in the house of origin, the bill is enrolled and sent to the Governor.
- If the amendments or substitute proposal of the second house are rejected in the house of origin, the bill is then sent to conference committee (a special committee composed of three legislators from each house) which attempts to compromise differences between the two versions of the bill adopted by the houses. Under Joint Rules, the conference committee shall not consider any matters other than the matters of difference between the two houses. When the

agreement arrived at by the conferees is such that it affects other parts of the bill, the conferees may recommend amendments to conform with the agreement. The conferees may also recommend corrections to any errors in the bill. The conference committee may reach a compromise and submit a report to both houses of the Legislature. If the conference committee report is approved by both houses, the bill is enrolled and presented to the Governor. If the conference committee does not reach a compromise, or if the Legislature does not accept the conference report, a second conference committee may be appointed.

- The Governor may veto the bill or veto specific line items in the bill. The Legislature may repass, by two-thirds vote, the bill or the item or items disapproved, in which case the repassed bill or items become law.

- The Department of Management and Budget reviews appropriations and makes allocations. If there are insufficient revenues, the department prepares an executive order for the Governor to make reductions in the budget.

- The Governor may transmit an executive order reducing expenditures. Any recommendation for the reduction of expenditures must be approved or disapproved by both appropriations committees within ten days after the recommendation is made.

- Each department may request allotment revisions, transfers, or supplemental appropriations. The Department of Management and Budget must approve revised allotments. Transfers of funds within a department are submitted by the Department of Management and Budget to the House and Senate Appropriations Committees and need to receive the approval of the committees. The Legislature and Governor act on supplemental appropriations bills in a manner similar to an original appropriation bill.

A timeline of the development and implementation of a budget is presented in Table 3.

**TABLE 3****DEVELOPMENT AND IMPLEMENTATION OF A BUDGET**

<b>MONTH/YEAR</b>	<b>ACTION TAKEN</b>
May	Department of Management and Budget (DMB–Executive Branch) Develop Program Policy Guidelines
June	Guidelines Sent to Departments to Draft Their Budgetary Requests
September	Departments Return Budget Requests to DMB
October and November	Departments Meet With Governor’s Budget Officials
December	Governor’s Decisions Made
January	Governor’s Recommendation Prepared for Submission to Legislature, Governor’s State-of-the-State and Budget Message Prepared, Consensus Revenue Estimating Conference Meets
February	Budget Documents Delivered to Legislature – Legislative Action Begins
March - July	Legislative Action – Subcommittee and Committee Hearings, Floor Votes, Conference Committees
May	Consensus Revenue Estimating Conference Meets
July - August	Governor Signs (or Vetoes) Bills – May Include Line-Item Vetoes
September 30	Current Fiscal Year Ends
October 1	New Fiscal Year Begins
December 31	Prior Year Final Book Closings

<sup>(a)</sup> These dates represent the normal timeline for the development and the implementation of a budget. The Governor submits a budget within 30 days after the Legislature convenes in regular session. In a year in which a newly elected governor takes office, 60 days are allowed for submitting a budget.

**REVIEW QUESTIONS.**

- 1. Why is the budget important?*
- 2. Explain the difference between general purpose and restricted revenues.*
- 3. What steps are followed in developing the Governor’s proposed budget to be submitted to the Legislature?*
- 4. Once the appropriation bills for a fiscal year have been enacted, how can the state budget be changed?*



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*The information in this publication is available,  
upon request, in an alternative, accessible format.*

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